

BILL NO. 88-74

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. 88-74

Introduced by Council Member Fielder

Legislative Day No. 88-33 Date November 1, 1988

AN ACT to add new Section 123-43.1, Day Care Credits for Business, to Article II, Real Property Tax Credits, of Chapter 123, Finance and Taxation, of the Harford County Code, as amended; to establish a real property tax credit for a business that establishes a family day care home or a child care center, under certain circumstances; to establish qualifications, procedures, and limitations for the credit; and generally relating to a real property tax credit for businesses.

By the Council, November 1, 1988

Introduced, read first time, ordered posted and public hearing scheduled

on: December 6, 1988

at: 6:30 P.M.

By Order: Doris Poulsen, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held

on December 6, 1988

and concluded on December 6, 1988

Doris Poulsen, Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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1 Section 1. Be It Enacted By The County Council of Harford
2 County, Maryland, that new Section 123-43.1, Day Care Credits
3 for Business, be, and it is hereby, added to Article II, Real
4 Property Tax Credits, of Chapter 123, Finance and Taxation, of
5 the Harford County Code, as amended, all to read as follows:
6 Chapter 123. Finance and Taxation.

7 Article II. Real Property Tax Credits.

8 SECTION 123-43.1. DAY CARE CREDIT FOR BUSINESS.

9 A. (1) IN ACCORDANCE WITH THE TAX-PROPERTY ARTICLE,
10 SECTION 9-214 OF THE ANNOTATED CODE OF MARYLAND, THERE IS
11 HEREBY CREATED A CREDIT AGAINST THE PROPERTY TAX IMPOSED ON
12 THAT PORTION OF THE REAL PROPERTY ON WHICH AN IMPROVEMENT IS
13 SUBSTANTIALLY COMPLETED AFTER JULY 1, 1988, IF:

14 (a) THE PROPERTY IS OWNED BY A BUSINESS HAVING
15 AT LEAST TWENTY-FIVE (25) EMPLOYEES; AND

16 (b) THE IMPROVEMENT CONTAINS AN AREA SET ASIDE
17 AND DEDICATED EXCLUSIVELY FOR A DAY CARE CENTER THAT IS:

18 (i) REGISTERED AS A FAMILY DAY CARE HOME
19 UNDER THE FAMILY LAW ARTICLE, TITLE 5, SUBTITLE 5, PART V OF
20 THE ANNOTATED CODE OF MARYLAND; OR

21 (ii) LICENSED AS A CHILD CARE CENTER UNDER
22 THE FAMILY LAW ARTICLE, TITLE 5, SUBTITLE 5, PART VII OF THE
23 ANNOTATED CODE OF MARYLAND.

24 (2) (a) THE AMOUNT OF A CREDIT UNDER THIS SECTION
25 IS \$30,000 OR THE AMOUNT OF PROPERTY TAX ATTRIBUTABLE TO THE
26 IMPROVEMENT, WHICHEVER IS LESS.

27 (b) A CREDIT UNDER THIS SECTION IS FOR A
28 3-YEAR PERIOD, WITH ONE-THIRD OF THE CREDIT GRANTED EACH YEAR.

29 B. (1) TO RECEIVE A CREDIT UNDER THIS SECTION, THE
30 OWNER OF THE PROPERTY SHALL APPLY FOR THE CREDIT.

31 (2) IF THE OWNER FAILS TO APPLY FOR THE CREDIT ON
32 OR BEFORE OCTOBER 1 OF EACH TAXABLE YEAR, THE CREDIT MAY NOT

1 BE GRANTED.

2 C. (1) EXCEPT AS PROVIDED OTHERWISE IN THIS
3 SUBSECTION, IF AN OWNER TRANSFERS PROPERTY THAT IS SUBJECT TO
4 A CREDIT UNDER THIS SECTION, THE CREDIT ENDS ON THE DATE OF
5 TRANSFER.

6 (2) A TRANSFER OF THE PROPERTY DOES NOT END THE
7 CREDIT IF:

8 (a) THE TRANSFER IS BETWEEN SPOUSES OR IS A
9 CONVEYANCE TO A SURVIVING SPOUSE FROM THE PERSONAL
10 REPRESENTATIVE OF A DECEASED SPOUSE; AND

11 (b) THE IMPROVEMENT CONTINUES TO MEET THE
12 REQUIREMENTS OF SUBSECTION A(1) OF THIS SECTION.

13 (3) WHEN A CREDIT ENDS UNDER THIS SUBSECTION:

14 (a) THE TOTAL AMOUNT OF THE CREDIT SHALL BE
15 INCLUDED IN DETERMINING THE AMOUNT OF PROPERTY TAX THAT IS:

16 (i) PAID BY THE OWNER OF THE IMPROVEMENT,
17 AND

18 (ii) ADJUSTED AT THE TIME OF SETTLEMENT
19 BETWEEN THE OWNER OF THE IMPROVEMENT AND THE BUYER.

20 (b) THE OWNER OF THE IMPROVEMENT SHALL BE
21 CREDITED FOR THE PART OF THE CREDIT THAT THE OWNER'S PERIOD OF
22 OWNERSHIP DURING THE TAXABLE YEAR IN WHICH THE TRANSFER OCCURS
23 BEARS TO THE ENTIRE TAXABLE YEAR. THE BUYER SHALL PAY THE
24 REMAINDER OF THE CREDIT TO THE COUNTY.

25 D. (1) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
26 SUBSECTION, IF PROPERTY THAT IS SUBJECT TO A CREDIT UNDER THIS
27 SECTION CEASES TO BE USED TO PROVIDE THE DAY CARE SERVICES
28 WHICH QUALIFIED IT FOR THE CREDIT UNDER SUBSECTION A(1) OF
29 THIS SECTION, THE CREDIT ENDS ON THE DATE THE DAY CARE
30 SERVICES CEASE.

31 (2) WHEN A CREDIT ENDS UNDER THIS SUBSECTION, THE
32 OWNER OF THE PROPERTY SHALL BE CREDITED FOR THE PART OF THE

1 CREDIT THAT THE PERIOD FOR WHICH DAY CARE SERVICES REQUIRED
2 BY SUBSECTION A(1) OF THIS SECTION WERE PROVIDED DURING THE
3 TAXABLE YEAR BEARS TO THE ENTIRE TAXABLE YEAR. THE OWNER
4 SHALL PAY THE REMAINDER OF THE CREDIT TO THE COUNTY.

5 (3) IF THE CESSATION IS FOR THIRTY (30) OR FEWER
6 CONSECUTIVE CALENDAR DAYS, THE CREDIT DOES NOT END UNDER THIS
7 SUBSECTION.

8 E. THIS SECTION SHALL BE ADMINISTERED BY THE DEPARTMENT
9 OF TREASURY.

10 Section 2. And Be It Further Enacted, that this Act shall
11 take effect sixty (60) calendar days from the date it becomes
12 law.

13 EFFECTIVE: February 6, 1989
14

15 *The Secretary of the Council does hereby*
16 *certify that fifteen (15) copies of this Bill*
17 *are immediately available for distribution to*
18 *the public and the press.*

19 *Noris Poulsen*, Secretary
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BY THE COUNCIL

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Read the third time.

Passed LSD 88-35 (December 6, 1988)

Failed of Passage _____

By Order

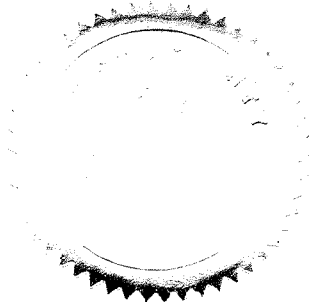
Doris Paulsen, Secretary

Sealed with the County Seal and presented to the County Executive
for his approval this 7th day of December, 1988
at 3:00 o'clock P.M.

Doris Paulsen, Secretary

BY THE EXECUTIVE

APPROVED:

[Signature]
County ExecutiveDate 12/8/88

BY THE COUNCIL

This Bill (No. 88-74), having been approved by the Executive
and returned to the Council, becomes law on December 8, 1988.

Doris Paulsen, Secretary

EFFECTIVE DATE: February 6, 1989